

**US ARMY GARRISON FORT KNOX
NOTICE OF OPPORTUNITY TO LEASE (NOL)**

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DEADLINE FOR APPLICATION SUBMISSION: May 29, 2009 at 5pm EST

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**SECTION 1.0 FORT KNOX AND ENHANCED USE LEASE
PROJECT OVERVIEW**

1.1 AUTHORITY

The Enhanced Used Leasing (“EUL”) process is provided under the authority of Title 10, United States Code, Section 2667, as amended. This authority allows for the Army to outlease land and facilities to a private or public entity. Specifically, the Army can, among other things: 1) outgrant for other types of mission functions; 2) enter into long-term or short-term leases, providing greater flexibility for facility reuse; and 3) receive no less than fair market rental, in cash or in-kind, as consideration for the leased property.

1.2 FORT KNOX – OVERVIEW

Fort Knox is located in Kentucky, approximately 38 miles south of Louisville and 15 miles north of Elizabethtown, in Hardin, Meade, and Bullitt counties. Fort Knox encompasses 108,000 Acres including 103 active firing ranges, 17 training sites, 6 base camps, 27 bivouac sites, 178 miles of improved roads, 12 miles of railroad, and nearly 2400 buildings.. The Ohio River forms part of its northwest border. The United States Bullion Depository, located on ground owned by the U.S. Department of the Treasury, is adjacent to the main gate of Fort Knox.

Fort Knox is the Commonwealth of Kentucky’s seventh largest urban community and its single largest employer. Fort Knox is also a community where people strive to achieve a high level of excellence in everything they do. Fort Knox’ standards are exemplified by an award-winning commissary, post exchange, and highly-touted military dining facilities. We also operate one of the Army’s largest independent school systems and an extensive health care system through the service of Ireland Army Community Hospital.

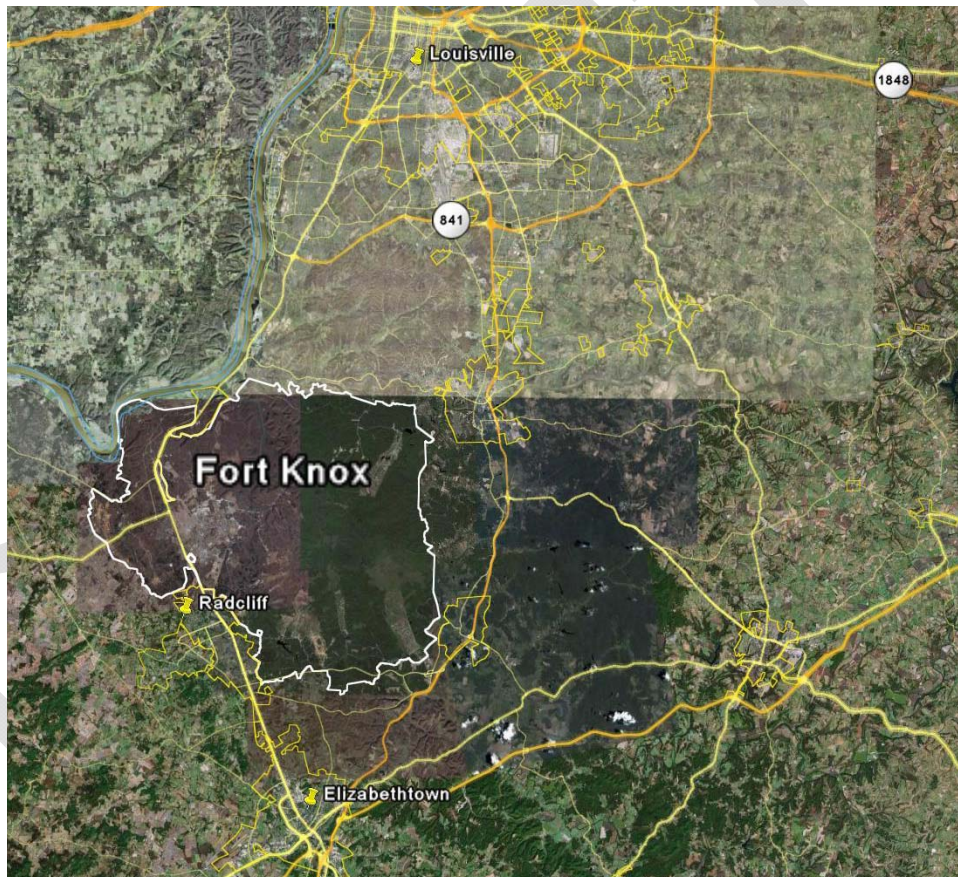
Fort Knox is centered in Kentucky’s Heartland with its relatively mild climate and a variety of recreational activities. The Patton Museum of Cavalry and Armor, the 2nd largest attraction in Kentucky, shares its heritage with the post. Fort Knox is proud to exhibit the tradition of hospitality for which Kentucky is famous. Fort Knox is proud to be a member of the community and proud to promote peace throughout the world.

1.2.1 BRAC IMPACT. As a result of the 2005 Base Realignment and Closure Act (BRAC), Fort Knox will lose long-time resident units and missions and gain new ones. The most prominent loss is the U.S. Army Armor Center and School, which will be moving to Fort Benning, Georgia by September 2011. Of the organizations moving to Fort Knox by 2011 as a result of BRAC 2005, most notable are the Human Resources

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Command, which will be moving from Alexandria, Virginia; St. Louis, Missouri; and Indianapolis, IN; and the 1st Infantry Division's 3rd Brigade Combat Team. On balance, Fort Knox expects to see a net increase of 4,799 military, civilian, and contractor personnel. The incoming and outgoing units are different in the occupational compositions of their workforces: 45.2% of the personnel of the incoming units are at Government Service (GS) Grade 10 or higher, while only 22% of the outgoing units have staff at those higher grades.¹ This roughly translates to approximately \$100 million more annually in civilian payrolls coming to Fort Knox.²

1.2.2 CURRENT STATUS. The United States Army Armor Center and School and Fort Knox is currently the home of Calvary and Armor, training all Calvary and Armor Soldiers in the Army and Marines. It is also home to the United States Army



Recruiting Command. Recent additions to the Installation include a war fighting 19th Engineer Battalion, and the 3d Sustainment Command Expeditionary. The Army Reserves currently trains Drill Sergeants, Military Police, Truck Drivers and other soldiers at Fort Knox. They will be adding more classes for Senior Leaders, and

¹ "The Fort Knox BRAC Process: A Summary of Research Findings of the Workforce Project", June 2007, Workforce Associates, Inc. and Thomas P. Miller Associates Inc.

² Ibid

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logisticians. They are expected to have as many as 500 students in lodging in the area at a given time. Recent past and future expected population breakdown is as follows:

Year	Military	DA Civilian	Other	Total
2003	8,379	2,574	4,095	15,048
2013	10,179	5,036	5,377	20,592

Other = NAF, Contractor, Non-DA Civil Service

Source: Asst. Chief of Staff for Installation Management/Installation Management Command Common Operating Picture 02 May 2008

1.2.3 HISTORY. Fort Knox is known as “The Home of Mounted Warfare.” Although famous as the site of the U.S. Bullion Depository, the “Gold Vault,” Fort Knox is also proud to be The Home of Armor, The U.S. Army Recruiting Command and Eastern Region ROTC, U.S. Army 3rd Recruiting Brigade, the 4th Brigade and other Partners in Excellence. Our state-of-the-art technology and equipment includes our Close Combat Tactical Training Simulation Facility, the Unit of Action Maneuver Battle Lab, and the Mounted Urban Training Complex. Though proud to boast new facilities and employ the greatest Soldier-civilian workforce in the Army, Fort Knox has never forgotten that its primary mission is to develop leaders and train Soldiers for armor and cavalry forces worldwide.

1.3 FORT KNOX – EUL PROJECT SUMMARY

1.3.1 SITE. The Army is offering three sites for development. Please see Sites A, C, and D on the map below. Site A is located outside the cantonment area, generally at the northwest intersection of US 31W and Bullion Boulevard across 31W from the main entrance to Fort Knox. It comprises 53 acres (+/-). No roads lead into the interior, though the site is bounded by Bullion Boulevard on the south, Vine Grove Road on its northern and western edge, and North 8th Armored Division Drive on its east. Though paved, this road is currently closed to traffic. However, re-opening this road may be possible for the EUL project. The site is wooded, with gently rolling topography. No wetlands were identified on the site.

Site C is located across N. Huron Street from the future home of the Army’s 900,000 square feet Human Resources Command Center of Excellence, and comprises 24 acres (+/-). It is within the installation’s cantonment area. A baseball diamond and running track currently exist on the site, though these are slated for replacement elsewhere on the installation. The site is flat, except for an open drainage ditch to the east of the baseball diamond, running north – south through the site. The possibility exists to place the drainage function in a culvert. The site is bounded on the east by N. Huron Street, on the west by N. Seminole Street, and on the south by Blackhawk Street.

Site D is outside the cantonment area, generally at the intersection of State Highway 313 and South Boundary Road, and comprises 39 acres (+/-). The site is wooded, and has some rolling terrain. Some fill and/or leveling may be required. No roads lead into

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the site's interior, though it is bounded on its south by State Highway 313 and on its north by 745th Tank Battalion Way. The site is approximately three-quarters of a mile east from South Boundary Road, though it is possible that the western boundary of the site could be extended westward to South Boundary Road.



1.3.2 BUSINESS OPPORTUNITY AND PRELIMINARY GARRISON VISION.

The Army seeks to competitively select a private sector developer and property manager (hereafter “Developer”) to lease the subject real estate for a term not to exceed fifty (50) years.

The Army’s goal in pursuing private sector development via an EUL project is to complement and support the military and civilian Fort Knox operations and tenancies. The Army has conducted a Highest and Best Use (“HBU”) study showing that the uses identified below can provide an attractive return to a private sector developer. However, parties responding to this opportunity (hereafter, “Offeror”) may propose other uses for which they have identified a viable market, as long as those uses are in keeping with Fort Knox’ mission and the Army’s long-term strategic goals and objectives.

Likely development includes, but is not limited to the following components:

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- Office, retail, and conferencing/event space uses on Site A;
- Retail uses on Site C;
- Office and conferencing/event space uses on Site D.

Site D is offered as an additional or alternate site to the uses proposed for Site A.

The Highest and Best Use Study conducted by the Army concluded that a mixed-use project that includes a conference center or conferencing/event space may be attractive given certain development incentives provided by local, state, and federal authorities. One of these incentives may be attractive financing through the Community Development Financial Institution's (CDFI) New Market Tax Credit Program (NMTC). Sites A, C, and D lay in a NMTC qualifying census tract in a high-migration rural county. Accessing these incentives for any proposed uses are the responsibility of the Offeror/Developer.

The Developer will construct, operate, maintain and manage the facilities, and provide in-kind consideration to the Army equal to or greater than the fair market value of the leased assets. In return, the developer has the opportunity to receive a market rate return from development activities.

1.3.3 EXISTING IMPROVEMENTS. There are no existing structures on any of the sites, with the exception of the baseball diamond and running track on Site C, which is slated for replacement elsewhere on Fort Knox.

The nearest water, electric, and sanitary sewer connections to Site A are from the Pritchard Place residential development on Fort Knox, approximately two-tenths of a mile to the north. The sanitary sewer may require a lift station. Further review of ground elevations would be required. Conversely, utilities may be brought from the city of Radcliff, approximately one mile to the south. Radcliff has expressed a willingness to annex Site A and the intervening property between it and the site into its city limits. The Kentucky Veteran's Cemetery has recently been developed between the city limits and Site A, and a new Veterans nursing home is being planned on the property between the existing city limits and Site A.

Site C is in a developed area and all utilities are expected to be within ¼ mile of the site.

At Site D, a 4" water main serviced by Hardin County Water District #2 runs on S. Boundary Road, just west of the site. Furthermore, a 10' water line serviced by Hardin County Water District #1 exists ~2200' to the west of S. Boundary Road. Hardin County Water District #1 has a connection to its sanitary sewer system approximately 2000' feet to the west of the site. An electrical sub-station exists across S. Boundary Road, approximately 1,000 feet northwest of the closest point of the site.

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1.3.4 PROJECT GOALS AND OBJECTIVES. It should be noted that the Army has set the following goals and objectives for this project:

- Provide conference, meeting, gathering and/or functional space for the Fort Knox, Radcliff, and Elizabethtown communities that is closer than Louisville;
- Help meet the office and retail space needs of the additional military and civilian workers, contractors and their families resulting from BRAC 2005;
- Maximize value to the Army but at a minimum obtain the fair market value;
- Allow the Army to utilize in-kind consideration generated by the project to enhance the quality of life for those working at and served by Fort Knox;
- Maintain security as directed per federal, DoD, and Army guidance and standards;
- Integrate successfully the development activities with cultural resources and environmental policy management requirements in support of the mission of Fort Knox;
- Blend successfully development activities into the remaining base activities and with the existing base architecture;
- Maintain positive relations with the communities surrounding the property; and
- Employ the best commercial practices to the benefit of both the Army and the Developer.

The Army believes that these goals, concepts and objectives can best be achieved by working with the Developer to develop a Leasing and Management Plan ("L&MP") for Fort Knox. The assets of Fort Knox make this initiative a valuable opportunity for a world-class Developer to participate in this EUL opportunity.

1.3.5 IN-KIND SERVICES. During the lease term, the Developer, or contractors arranged by the Developer, will be expected to provide consideration in the form of in-kind services. Generally, the Army and the Developer will come to an agreement as to the cost and schedule of work to be performed, and the Developer will perform the work. The Army will inspect and accept the work performed so as to ensure Army standards are met.

SECTION 2.0 SUMMARY OF LEASING PROCESS AND PERFORMANCE REQUIREMENTS

2.1 LEASE AND MANAGEMENT PLAN

Following selection of the Developer, the Army will issue a conditional Notice of Lease award to the Developer. Subsequently the Army and the Developer will enter into a Memorandum of Agreement (MOA). The Army and the Developer will then work together to produce the L&MP for Fort Knox. Upon completion of the L&MP, the L&MP and supporting documents will be submitted to the Army for final approval. The decision to implement the L&MP will be made by the Army at its discretion. In no event will the Army be responsible for the

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payment of any fees or have any liability to the Developer for the L&MP or work product generated in developing the L&MP should the L&MP not be acceptable.

The Developer will be responsible for drafting the L&MP. The Developer will prepare draft portions of the L&MP for review and input by the Army and its advisors. The Army will work with the Developer to arrange for review by relevant stakeholders, including various constituencies with an interest in the project, both inside and outside the Army.

The L&MP will provide details regarding the financing strategies, lease terms and conditions, development scope, use restrictions, property and asset management procedures, terms and conditions for in-kind consideration and other matters agreed upon by the Army and the Developer. An initial sample for contents of the L&MP is as follows:

- A further description of the Army's goals, concepts and objectives for the leasing arrangement and methods for meeting them;
- Sources of capital, including debt and equity;
- Overall leasing and development schedule;
- Detailed leasing and development budget including operating pro forma and revenue pro forma for the term of the ground lease;
- Roles and responsibilities of the Army and the Developer, including a description of any anticipated partnership or joint ventures by the Developer;
- Development plans and timelines, including drawings, site plans, etc.;
- A tenant leasing plan setting forth appropriate guidelines to ensure that all third party tenant leases are for uses compatible with Fort Knox' military mission;
- Documents required to comply with the National Environment Policy Act (NEPA) and Environmental Condition of Property (ECOP) report;
- Community relations plan;
- Detailed plan specifying the amount and timing for provision of in-kind consideration to Fort Knox; and
- Detailed plan specifying the utility and other services that the Developer will require from Fort Knox to support the EUL project.
- Documents, legal descriptions and maps specifying any easements or rights-of-way required from the Army to support the EUL project.
- Detailed plan for funding the administrative costs of the Army in managing the EUL project.
- Detailed description of any opportunities identified during the planning process that cannot be accommodated by the current lease authority, and, if feasible, a plan for proceeding under an alternative authority.

In the unlikely event that the Army and the Developer cannot agree on a L&MP, implementing lease or other required documents, or if the L&MP is not accepted by the Army, the Army at its option, may render this application process null and void, and direct the Developer to cease all work on the project. This can occur without giving rise to any right or claim by the Developer. Should this occur, the Army maintains the right, at no cost, to make full use of the L&MP and to proceed to negotiate and work with other developers on this or similar projects.

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2.2 LEASE AND SUPPORTING DOCUMENTS

Once the L&MP is approved by the Army, a lease, supporting easements and rights-of-way, and other transfer documents will be negotiated by the Army and the Developer to implement the L&MP, or portions thereof.

2.3 LEASE PAYMENT PROVISIONS

The Developer will provide in-kind services in an amount equal to or greater than the fair market value of the leased land. Details regarding these payments shall be provided in the L&MP. See Section 1.3.5 of this NOL for more information.

2.4 UTILITIES AND SUPPORT SPACE

Please see Section 1.3.3 for known locations of nearest utilities to the sites.

The Developer will be responsible for coordination of all utilities and support services used in the operation and management of the newly developed buildings and leased land.

2.5 PROPERTY MAINTENANCE/MANAGEMENT

The ability to properly maintain and manage the proposed project is critical to the project's long-term viability. The Developer, as a part of the L&MP, shall work with the Army to develop a property maintenance/management program that meets all Army and project goals. The Developer will have responsibility for all property maintenance and management items throughout the life of the project.

2.6 ENVIRONMENTAL CONSIDERATIONS

No environmental studies exist for any of the sites. No documentation could be found detailing the prior uses of sites A and D; it is believed they have always been buffer land to training areas.

Army Regulation 200-1, Chapter 15, section 5 requires that an Environmental Condition of Property (ECP) report be conducted for leases. Either the selected Developer or Fort Knox will pay for the ECP, subject to negotiation. The Army will review, approve, and sign off on the ECP. Except for any unexploded ordinance, which will be cleaned up by the Army, the Developer is responsible for all site clean-up.

The Developer will pay for and conduct all NEPA documentation, which will be reviewed by, approved, and signed off on by the Directorate of Public Works, Fort Knox.

2.7 DISPUTES

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Any dispute concerning a question of fact or procedure arising under this NOL, which is not disposed of by agreement, shall be decided by the Army, who shall mail or otherwise furnish a written copy of the decision to any Offeror or Developer.

2.8 SECURITY

Site C is within Fort Knox' cantonment area, requiring entry through a security checkpoint. All other sites are outside the cantonment area.

The Developer will work with the Army to conform to force protection design standards per federal, DoD, and Army guidance and standards.

2.9 RESTRICTIONS ON FOREIGN PARTICIPATION

Unless a waiver is granted by the Secretary of Defense, should the Government of a terrorist country have a significant interest in the Offeror, Offeror's team member(s) or subsidiary then that entity: (a) shall not be selected for the project; and (b) shall not participate in connection with the project. As of the date of this solicitation, terrorist countries subject to this provision include: Cuba, Iran, Libya, North Korea, Sudan, and Syria.

Furthermore, the Offeror shall disclose any interest a foreign government has in the Offeror, Offeror's team member(s) or subsidiary when that interest constitutes control by a foreign government. 'Control' is defined as having the power, whether exercised or exercisable, to control the election, appointment, or tenure of the entity's officers or a majority of the entity's board of directors by any means, e.g., ownership, contract, or operation of law.

SECTION 3.0 APPLICATION SUBMISSION

3.1 PROVISIONS

Each Offeror is required to comply with the following instructions while developing their submittal. Where instructions conflict and no order of precedence is specified, the most stringent requirement applies. A reference to, or direction to comply with, a particular paragraph shall include, as appropriate, all subparagraphs thereunder. Oral explanations or instructions given before the signing of the Lease will not be binding. In the event of any conflict between any representations and the contents of this NOL, the NOL shall prevail. Any written information concerning the application given to any prospective Offeror will be furnished promptly to all other prospective Offerors. If the information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective Offeror, the information shall be furnished as an amendment to the NOL (refer to Section 3.9). By submitting an application, Offeror agrees to provide non-discrimination and Civil Rights assurances if applicable. Additional provisions that the Offeror should note include:

- The Army is seeking to lease all three sites.

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- The Army seeks to lease to only one Developer or Developer team. The Offeror may joint venture with another developer(s). A submission from a joint venture shall include the documentation as stated in Section 3.6.1.
- The information provided by Offeror may be used by the U.S. Army Corps of Engineers (“USACE”) and its consultants to conduct a comprehensive background and credit check.
- The Offeror may provide the facilities and services to the Army as agreed upon in the L&MP and lease either directly or through subleases or concession agreements that have been reviewed and accepted by the Army.
- The right is reserved, as the interest of the Army may require, to reject at any time any and all applications, to select more than one Offeror, to waive any informality in applications received, and to accept or reject any items of any applications unless such application is qualified by specific limitation.
- USACE has been delegated the authority and been appointed by the Army to manage and execute all real property programs for the Army, including any leasing conducted under the 10 USC §2667. Capitol CREAG LLC and Booz Allen Hamilton are serving as advisors (and have recused themselves from submitting) on this project. All Offerors must certify they are not using nor have they used Capitol CREAG or Booz Allen Hamilton to assist in the preparation of any submittal related to this project. (Conflict of Interest Certification form is included as APPENDIX A of this NOL.)

3.2 ARMY ADMINISTRATIVE FEES

The Developer will be required to fund the Army’s administrative actions required to implement and execute the EUL. The estimated administrative cost is \$270,000. \$150,000 of these fees are to be paid upon the Developer signing the MOA. The balance may be paid prior to lease execution or at lease execution, subject to negotiation. Administrative fees are to be paid by the Developer upon signing of the MOA. Should actual administrative costs exceed the estimate, USACE reserves the right to require the Developer to fund the actual costs. The expended portion of these Administrative Fees is non-refundable. Any un-expended portion of this fee will be returned to the Developer.

Parties that respond to this Notice of Opportunity to Lease are required to include in their application submission a signed statement that they understand the requirement of this administrative fee and agree to its payment when the Memorandum of Agreement is signed, following notification of selection or as otherwise agreed to by the Army.

An additional closing fee of 6-8% of the present value of the lease at the time of lease execution is required to be paid by the Developer upon lease signing. The Administrative Fee will be credited against the overall closing fee for the project, however should the Administrative Fee exceed the closing fee, no portion of the Administrative Fee will be refunded (unless that portion has not been expended).

3.3 INDUSTRY FORUM NOTICE TO OFFERORS

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An Industry Forum will be held on **April 29th, 2009** to provide information on the opportunity, describe the solicitation process and discuss the approach to this transaction. The Industry Forum will be held at **The Leader's Club, Fort Knox, Kentucky (Registration begins at 7:00 AM)**. Information (directions, attendee list, presentations, questions & answers, etc.) relating to this Industry Forum can be found on the following website:

<http://eul.army.mil/FtKnox>. Questions that are raised at the Industry Forum will be posted, along with answers, to the EUL project website, within two weeks after the Industry Forum.

3.4 NOTICE OF ORAL PRESENTATIONS

If the Army determines that the Offeror's written submission is within a competitive range, then the Offeror will be invited to make an oral presentation to the Army and its advisors. An oral presentation shall be limited to no longer than 60 minutes. During the oral presentation, the Offeror should be prepared to provide information concerning any aspect of the written submittal that was submitted to the Army. Offerors should be prepared to provide a pictorial representation of the project concept through the use of a rendering, sketch, photomontage, or other type of graphic media. The visual media will be used for illustrative purposes only and is not expected to be an exact or detailed representation of the project concept. Please note that the oral presentation is not an opportunity to present aspects of the project not already included in the written submittal. At the conclusion of the oral presentation, the Offeror should plan on approximately 30 to 45 additional minutes to respond to questions from the Army and its advisors.

The Army will provide an overhead projector, LCD data projector and laptop with CD-ROM compatibility. The Army cannot provide flash drive compatibility. If the Offeror decides to use media other than what is provided, the Offeror must provide and set up the equipment itself. The Offeror must bring ten (10) complete sets of all overheads and any other handouts to the oral presentation. The time and date for this presentation will be scheduled individually with the Offeror after the written submittal has been submitted and evaluated.

3.5 SUBMITTAL ORGANIZATION

The Offeror's written submission shall consist of a single original document and ten (10) copies with the sections below clearly labeled. Please stamp the original as such on all pages. The sections constitute the factors that will be evaluated, with each section weighted equally (excluding Section I, which will not be evaluated).

Section	Description of Factor	Page Limit (8.5" x 11")
I	Offeror's Profile	5 pages
II	Development Plan	10 pages
III	Relevant Experience/ Project References/Dispute Resolution	15 pages
IV	Financial Experience and References	10 pages

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V	Marketing	10 pages
VI	Property Maintenance/ Management	10 pages
VII	Experience in Community and Stakeholder Relations	5 pages
VIII	Capability/Qualifications	10 pages
	TOTAL	75 pages

NOTES:

- Any pages exceeding the limits set above will be destroyed and not evaluated. Supporting data such as mandatory forms, resumes, organizational charts, financial statements, *pro formas*, cost estimates, engineering calculations, photos, drawings and catalog cuts do not count against the page limits indicated above.
- Supporting data for each section, if any, shall be grouped together and immediately follow the requirements of that section. The section's supporting data shall be labeled as such (i.e., "Supporting data for Section II").
- Material specifically allowable as supporting data is denoted as such in the instructions below. Offeror should strive to keep to a minimum other supporting data not specifically denoted here as allowable.
- All sections should be submitted on the same flash drive/CD ROM.
- All sections of the Application will be provided in a twelve (12) font size or greater.

Each Offeror shall clearly mark all information that is proprietary and not releasable to the public as 'proprietary'. This information shall be returned to the Offeror if it is not selected or destroyed by the Army and its advisors upon execution of a lease with the selected Developer.

3.6 REQUIRED FACTOR SUBMISSION INFORMATION

In response to this Notice of Opportunity to Lease, Offerors will be evaluated on the basis of responses to the following sections, in no specific order of importance. These factors comprise the minimum compliance with the Army's goals and must be submitted in order for the submissions to be considered complete. It is the desire of the Army that each Offeror attempt to exceed the minimum requirements wherever possible. The Army reserves the right to evaluate and select an Offeror that is most advantageous overall to the Army.

3.6.1 SECTION I – OFFEROR PROFILE:

This section describes and provides documentation of the Offeror's legal organizational structure; identifying data on principals, partners, etc; insurance coverage; and other basic matters. Resumes for key people, contractors, etc. should not be included in this section. THE OFFEROR PROFILE IS NOT SCORED IN THE EVALUATION.

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- The name, address, telephone, e-mails and fax numbers of each principal, partner and/or co-venturer participating on Offeror's team and the name of the representative authorized to act on behalf of the team.
- Identification of any affiliation or other relationship between any of the members of the team responding to this application and any development company, parent company, or subsidiary.
- A description of Offeror's status (whether a corporation, a nonprofit or charitable institution, a partnership, a limited liability company, a business association or a joint venture) indicating jurisdiction under whose law Offeror is organized and operating, and a brief history of Offeror's organization and its principals.
 - If the Offeror is a corporation, provide the following: 1) Articles of Incorporation and by-laws; 2) Names, addresses, dates of birth and Social Security Numbers of officers and participating principals; 3) Corporate resolution authorizing the proposed transaction; and 4) Summary of Corporate Activity.
 - If the Offeror is a partnership/joint venture, provide the following: 1) partnership/joint venture agreement; 2) Names, addresses, dates of birth and Social Security Numbers of partners; and 3) each principal member's appropriate history and background, assigned areas of responsibility and any legally enforceable agreements or other mechanisms that will be relied on to ensure the firm's successful long-term operation.
 - If the Offeror is a sole proprietorship, provide Social Security Number, date of birth and current address.
- Date and location of establishment and the date of incorporation under the present name.
- Provide the Dun & Bradstreet (Duns) numbers for all members of the Offeror's development team, including, but not limited to: the principal, partner, and/or co-venturer.
- Explanation of types of services Offeror's firm provides and how they relate to this application.
- Indication of whether Offeror ever maintained or currently maintains errors and omissions insurance and, if so, the amount of the coverage, deductible and the carrier of the insurance.

3.6.2 SECTION II – DEVELOPMENT PLAN:

This factor will be used to evaluate and demonstrate that the Offeror has a clear understanding of the Army's goals and a realistic approach to accomplishing them. Specifically, the Offeror shall submit a detailed narrative describing the Offeror's proposed project concept, approach and vision, including an accurate overall description of the intended project design and construction methodology. Place special emphasis on how Offeror's approach addresses the entire project and how it demonstrates a clear understanding of the scope and complexity associated with the project. The project concept shall include, but is not limited to, the following items: 1) quality control plan; 2)

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safety plan; 3) phasing/sequencing including detailed logic diagram with major milestones (i.e. notice to proceed, design completion, obtaining permits, subcontractor selection); and 4) project coordination (i.e. A&E involvement). The Army seeks a developer that will bring creativity and innovation to this project. Conceptual graphics are welcome within the confines of the page number limitations of this section.

3.6.3 SECTION III - RELEVANT EXPERIENCE / PROJECT REFERENCES / DISPUTE RESOLUTION:

This section considers the extent of the Offeror's corporate and key personnel experience in successfully planning for, developing and managing large complex projects, especially under a lease arrangement. The evaluation team may consider information about other projects performed by the Offeror and identified through any and all means (relevancy and recency), including but not limited to customer surveys and comments from Government agencies.

3.6.3.1 RELEVANT PROJECT EXPERIENCE. Provide the following information on at least five but no more than 10 projects for which Offeror (or team member) acted as prime developer. Identified projects must demonstrate an ability to perform a project of this magnitude and complexity.

- For each project listed above please provide the following:
- The name, address, type and size of each project;
- The name and address of the owner of each project;
- No more than three (3) photos of each project (each photo not exceeding 8-1/2" by 11" in size) if available (photos may be considered as supporting data);
- A description of how the project achieved an acceptable level of quality in the project planning, phasing/sequencing, design and construction, and coordination of roles and responsibilities amongst the team members;
- A description of project economics and finance including the following: 1) total development costs including hard and soft costs; 2) financing including debt and equity amounts and sources; 3) ownership structure including percentage of ownership by principal members; 4) economics of sharing arrangements between principal members or investors including identification of sources of return to the owners and investors;
- A description of property management/maintenance services provided including scope of services and standards of performance;
- Offeror's role and services provided for each project; and
- Any other pertinent information necessary to sufficiently describe each project.
- Please note that property management and marketing experience are to be discussed in other subsections.

3.6.3.2 PROJECT REFERENCES. Provide the name, address, and telephone numbers of at least five (5) clients or other stakeholders for whom Offeror (or team member) has successfully developed projects within the past ten (10) years. These

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client references should be the owners of or directly involved with projects listed in section 3.6.3.1.

In addition to clients, Offeror is encouraged to provide the above information from other project stakeholders that Offeror considers important to understanding the success of Offeror's work. These references should be able to assess the degree of client (or other stakeholder) satisfaction.

The Army and its advisors intend to contact all the references that the Offeror lists. The Offeror's inclusion of the information requested above will be considered authorization to do so. The Offeror's references may be asked to discuss the following:

- Quality of the working relationship with the client (the tenant and/or owner);
- Professionalism and integrity with which Offeror conducted business;
- Responsiveness to the client's needs and expectations;
- Level of communication;
- Value added to the project as the result of cost savings, favorable financing, positive asset management, etc.;
- Delivery of the project within budget and on schedule;
- Quality control of the project design and construction; and
- Other relevant aspects in the management of a project development for a client.

3.6.3.3 DISPUTE RESOLUTION. Please state whether the Offeror (or a team member) has ever been terminated for default, noncompliance, or non-performance on a contract or Lease, and provide a detailed description. List all material instances of litigation or formal Alternative Dispute Resolution (ADR) processes (e.g., binding arbitration) during the last ten (10) years and involving a claim in excess of \$50,000 to which each principal member has been a party relating to partnering and/or financial performance. For those matters involving a claim equal to or in excess of \$500,000, provide a detailed description of the litigation or ADR process.

**3.6.4 SECTION IV – FINANCIAL EXPERIENCE AND REFERENCES:
(NOTE: ALL FINANCIAL DATA CLEARLY MARKED AS
PROPRIETARY WILL BE HELD IN CONFIDENCE)**

This section considers the extent of the Offeror's experience in dealing with financing of large, complex projects, especially under a leasing arrangement. Additionally, the Offeror's proposed financial strategy and financial capability for this project will be considered.

- Offeror shall provide audited financial statements (or 10Ks if the entity is publicly owned) for the last three years (parent and holding companies should submit audited financial statements if they intend to commit resources to a developer or

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joint venture in which they own a controlling interest). The financial statements should be prepared in accordance with generally accepted accounting principles (GAAP) and the financial auditor must be an independent Certified Public Accountant or an independent licensed public accountant. Auditor contact information should also be provided. Audited financial statements may be considered as supporting data.

- If audited financial statements have not been performed for Offeror's corporation or partnership, or if Offeror is an individual, provide a complete and current personal financial statement for Offeror and all partners/officers.
- Apart from the references requested in Section 3.6.3.2, provide the names, addresses, telephone numbers and e-mail of at least two commercial or institutional financial references from which the Offeror and each member of the development team has previously obtained financing. Attach a letter authorizing each reference to respond to inquiries from the Army and its advisors.
- Identify the sources, and, if possible, the relative amounts from these sources, from which Offeror expects to derive revenue during implementation and operation of this Fort Knox EUL project.
- Discuss the envisioned economics of sharing arrangements between principal members or investors including identification of sources or return to the owners and investors.
- Describe Offeror's approach to reinvesting revenues earned back into the Fort Knox EUL project. This should include timing and levels of refinancing and the disposition of proceeds from refinancing, and how the reinvestment approach may have been adjusted in response to market standards.
- Describe the Offeror's strategy to obtain financing (i.e., debt and equity) for this EUL project, including anticipated costs and why this strategy offers the best value to the Army.
- Discuss Offeror's capability to secure operating capital for the project as well as Offeror's capability to secure payment and performance bonds (or other types of security) for the Fort Knox EUL project.

3.6.5 SECTION V – MARKETING PLAN

This factor will be used to evaluate and demonstrate that the Offeror has an understanding of the type of uses and sub-tenancies for this project consistent with the Army's goals and objectives. Specifically, the Offeror should submit a detailed narrative describing how the Offeror will market the site to maximize its potential and create optimal absorption. Summarize the prospective developer's team experience marketing the proposed product type(s). Specifically, the Offeror shall provide an overview of the marketing plan to research and identify the necessary users to make the overall project financially feasible.

3.6.6 SECTION VI – PROPERTY MAINTENANCE/MANAGEMENT

This factor considers the Offeror's capability to understand and address the project's property maintenance/management responsibilities including maintenance, repair,

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operations and management experience. Specifically, the Offeror should provide its approach to maintenance/management of the project in accordance with private sector standards, as well as describe previous comparable projects where they have performed similar functions. The Offeror should include resumes for personnel who will be involved in the management of the project. Resumes for this section may be considered as supporting data.

**3.6.7 SECTION VII – EXPERIENCE IN COMMUNITY AND
STAKEHOLDER RELATIONS**

Explain Offeror's philosophy and specific approach to managing community and stakeholder relations during the planning, construction and operation & maintenance of major projects. With respect to projects Offeror listed under Section 3.6.3.1, describe Offeror's experience in managing relations with the surrounding community, defined as any internal and/or external communities and stakeholders relevant to the project.

3.6.8 SECTION VIII – CAPABILITY/QUALIFICATIONS

This section considers the Offeror's management and technical personnel capabilities and qualifications to provide the services required for planning and implementation of the project. The Offeror should understand that the project may change over the term of the lease, and that the Offeror may be required to repeat some activities. The information requested below is not required for events presently unforeseeable.

3.6.8.1 LEASING AND MANAGEMENT PLAN PHASE:

- Describe Offeror's organizational approach and commitment to developing a leasing and management plan (L&MP), negotiating a lease, and responding to the Army during negotiations.
- Include an organizational chart and staffing plan that demonstrates Offeror's capability to complete the components of the L&MP and lease. Indicate the extent to which Offeror's personnel have worked together as a team on projects of this financial magnitude or greater. The Organizational chart and staffing plan should include but are not limited to the following:
 - Master Planning;
 - Site assessment;
 - NEPA and other environmental documentation;
 - Cultural or archeological documentation;
 - Consultation and Coordination with federally recognized Native American Tribal Governments, if applicable;
 - Consultation and coordination in accordance with the Section 106 process as required by the National Historic Preservation Act, if applicable;
 - Architecture and engineering;
 - Legal Services;
 - Financial;
 - Marketing;

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- Community and stakeholder relations.
- Provide a resume (limited to one page) for each of the Offeror's key personnel and describe their respective roles during development of the L&MP. "Key personnel" are those persons considered critical to the accomplishment of the required services. Resumes for this section may be considered as supporting data
- The resume for each person must clearly indicate whether the person is or is not currently Offeror's employee and, if not so employed, what kind of commitment or offer of employment Offeror's firm has made to assure availability of this person during the development of the L&MP.
- Included on the resume of each Key Personnel should be a statement defining the extent of their availability and corporate commitment to this project (i.e. as a percentage of each person's time during the course of this project)

3.6.8.2 PROJECT IMPLEMENTATION PHASE:

- Describe Offeror's organizational approach and commitment to constructing the project and implementing the L&MP and in-kind services, and responding to and coordinating with the Army during these phases.
- Include an organizational chart and staffing plan that demonstrates Offeror's ability to construct the project, implement the L&MP, and provide in-kind services.
- Provide information on key personnel for this phase, following the requirements as set forth in sub-section 3.6.8.1

3.7 SUBMISSION OF APPLICATIONS

All written submissions to this NOL by Offerors are due at 5:00 PM Eastern Time on the date specified below and identified on the project website <http://eul.army.mil/FtKnox>. The Offeror's written submission shall be placed in an envelope and clearly marked as a response to this NOL. The following information must appear in the lower left corner of the envelope:

"Sealed Application for Lease of Real Property

Time: 5:00 PM (EST)
Date: May 29 2009
Project Name: Fort Knox EUL

One (1) original (**stamped "Original" on all pages**) and ten (10) copies of Offeror applications, plus one (1) electronic copy on CD (*NOT* flash drive) shall be submitted in sealed envelopes or packages addressed to the following:

U.S. Army Corps of Engineers (USACE)
Baltimore District
ATTN: Robert Penn, Real Estate Division

If hand delivered, to Office Location:

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10 South Howard Street, Room 7620
Baltimore, MD 21201

If mailed, to Mailing Address:

P.O. Box 1715, CENAB-RE
Baltimore, MD 21203-1715

In addition, the sealed envelopes or packages should be labeled with the Offeror's name, address, and name of contact person. Electronic, telegraphic, or facsimile offers and modifications will NOT be considered without express written authorization of USACE. Any subsequent modifications to the Offeror's application shall be sent using one of the above methods only.

NOTE: Any applications received after the time and date specified above will be rejected and returned to the Offeror unopened.

3.8 CANCELLATION OF NOTICE OF OPPORTUNITY TO LEASE BY THE ARMY

The Army is sponsoring this leasing transaction solely for the purpose of achieving the goals established in the enabling legislation. While the Army intends to enter into a lease with a Developer, it is under no obligation to do so, and reserves the right to cancel this availability and reject all application submissions. The Army reserves the right to suspend or modify all aspects of this process and to waive informalities and minor irregularities in offers received where it is in the best interest of the Army to do so.

3.9 AMENDMENT OF NOL BY THE ARMY

This NOL may be amended at any time by the Army, in its sole discretion. A notice of amendment shall be posted on the official website and a written amendment shall be provided to each Offeror who has submitted a written submittal on or before the date of the NOL amendment. If this NOL is amended, then all terms and conditions that are not modified shall remain unchanged.

Offerors that have submitted their package prior to an amendment being made shall acknowledge receipt of any amendments to this NOL by the date and time specified in the amendment(s). Acknowledgment shall be made by signing and returning the amendment(s), by sending a letter, or by emailing the project manager identified in section 6.0.

3.10 HOLD HARMLESS

By participating in the application process, Offerors agree to hold the United States, its officers, employees, and advisors harmless from all claims, liabilities and costs related to all aspects of this NOL and submittal process. Under no circumstances shall the Army be liable

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for any real estate brokerage commissions, finder's fees, or other forms of compensation related in any way to activities undertaken by any person as a result of a written submittal submitted to the Army in response to this NOL.

3.11 AMENDMENT OF OFFEROR'S WRITTEN SUBMITTAL

The Offeror may request an amendment of its previously submitted submittal to this NOL by providing the Army with a detailed description and explanation of the proposed changes which will be reviewed by the Army. To the extent that the Army consents to the proposed changes, such changes to the Offeror's previously written submittal shall be memorialized in the form of a letter agreement and such agreement shall be executed by the appropriate representatives of the Offeror and the Army.

SECTION 4.0 OFFEROR EVALUATION PROCESS

4.1 EVALUATION BOARD

An evaluation board ("EB"), will evaluate each Offeror's written submission to this NOL. The members of the EB will determine the overall value of the application to the Army and the potential for meeting the goals of the leasing arrangement, in accordance with the evaluation factors previously stated. Therefore, the written submission should contain all information that the Offeror deems necessary to comply with the information required in this NOL. Each Offeror's written submission will be evaluated on its own merit, independently and objectively. While the Government does not intend to meet with Offerors regarding revisions to their applications prior to any oral presentations, the Army may contact Offerors to clarify certain aspects of their application or to correct clerical errors. The information contained in Offeror's written submittal will be reviewed by the evaluation team prior to any oral presentation. This will allow the members of the EB time to become familiar with Offeror's experience, project approach, financial capabilities, and to generate questions that may be posed in anticipation of any oral presentation. The Army reserves the right to include all or short-list offerors into a competitive range before or after any oral presentations.

After the final evaluation of the written submissions to this NOL by Offerors, the Army will select the Offeror whose application is **most advantageous to the Army**. Selection will be based on an integrated assessment of the factors set forth in Section 3.6. Upon selection, the Army and the Offeror will initiate steps toward entering into a Lease & Management Plan.

Following selection of the Developer for this EUL project, the Developer agrees to provide the Army with the opportunity to review and approve any press release relating to this EUL Project. The Army shall, in its sole discretion, provide the Developer with any comments in a timely fashion.

4.2 INDIVIDUAL FACTOR RATINGS

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Each evaluation factor will be rated as indicated below. The members of the EB will assign one of the following ratings to each factor:

- **Exceptional Plus (E+):** The Offeror has addressed substantially all of the elements in this factor in a manner that demonstrates superior added value above a satisfactory response for substantially all of the elements.
- **Exceptional (E):** The Offeror has addressed many of the elements of this factor in a manner that demonstrates superior added value above a satisfactory response and has addressed substantially all of the remaining elements in this factor in a manner that demonstrates high added value above a satisfactory response.
- **Acceptable Plus (A+):** The Offeror has addressed many of the elements of this factor in a manner that demonstrates some added value above a satisfactory response and has addressed substantially all of the remaining elements in this factor in a manner that demonstrates a satisfactory response.
- **Acceptable (A):** The Offeror has addressed substantially all of the elements in this factor in a satisfactory manner.
- **Unacceptable (U):** The Offeror has failed to address substantially all of the elements of this factor in a satisfactory manner or has simply failed to address substantially all of the elements in this factor.

4.3 RISK RATINGS

The members of the EB will justify their evaluation factor ratings by drawing upon the strengths, weaknesses and risks identified for each of the evaluation factors. In addition to the ratings above, a risk rating will be assigned to each of the individual factors. The purpose of this rating is to assess the level of risk associated with each Offeror. The members of the EB will assign one of the following ratings to each of the individual factors:

- **Low Risk:** Any weaknesses identified by the evaluators have little potential to cause disruption to the planning and implementation phases. Normal contractor/government effort and monitoring will probably minimize any difficulties.
- **Moderate Risk:** These are weaknesses identified by the evaluators that can potentially cause disruption to the planning and implementation phases. Special contractor/government emphasis and close monitoring will probably minimize any difficulties.
- **High Risk:** These are weaknesses identified by the evaluators that have the potential to cause significant disruption to the planning and implementation phases even with special contractor/government emphasis and close monitoring.

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The members of the EB will document the strengths and weaknesses of the Offeror's submission and its potential impact to disrupt the planning and/or implementation of other Fort Knox projects. Oral presentations will also be evaluated for risk on the same basis as the written submittals and blended into the final evaluation.

4.4 OVERALL SUBMITTAL RATINGS

In addition, the members of the EB will assign an overall rating to each submittal as indicated below:

- **Exceptional Plus (E+):** The Offeror has addressed substantially all of the elements in all of the factors in a manner that demonstrates superior added value above a satisfactory response.
- **Exceptional (E):** The Offeror has addressed many of the factors in a manner that demonstrates superior added value above a satisfactory response and has addressed substantially all of the remaining factors in a manner that demonstrates high added value above a satisfactory response.
- **Acceptable Plus (A+):** The Offeror has addressed many of the factors in a manner that demonstrates some added value above a satisfactory response and has addressed substantially all of the remaining factors in a manner that demonstrates a satisfactory response.
- **Acceptable (A):** The Offeror has addressed substantially all of the factors in a satisfactory manner.
- **Unacceptable (U):** The Offeror has failed to address substantially all of the factors in a satisfactory manner or has simply failed to address substantially all of the factors.

SECTION 5.0 ARRANGEMENTS FOR INSPECTION OF SITE

Arrangements can be made with Fort Knox for inspection of sites included in this NOL. To make such arrangements contact:

Name: Lewis Graham
Telephone: 502 624-1264
E-mail: Lewis.H.Graham@us.army.mil

Questions cannot be answered by Fort Knox staff during individual site inspections. Questions must be posed to the project web site, so that answers can be distributed to all prospective Offerors.

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SECTION 6.0 POINTS OF CONTACT

Questions, clarifications and inquires about leasing issues, title and general information requests can be directed to the following:

Name	Organization and Address	Phone & Fax
Robert Penn Program Director	<u>Physical Address:</u> U.S. Army Corps of Engineers, Baltimore District Attn: Real Estate Division 10 South Howard Street Baltimore MD 21201 <u>Mailing Address:</u> PO Box 1715 Baltimore MD 21203-1715 <u>Email:</u> bob.penn@usace.army.mil	P 410-962-3000 F 410-962-4922
William Shockney Realty Specialist, Project Manager	<u>Physical Address:</u> U.S. Army Corps of Engineers, Baltimore District Attn: Real Estate Division 10 South Howard Street Baltimore MD 21201 <u>Mailing Address:</u> PO Box 1715 Baltimore MD 21203-1715 <u>Email:</u> Bill.Shockney@usace.army.mil	P 410-962-5605 F 410-962-0866

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APPENDIX A CONFLICT OF INTEREST CERTIFICATION

The Offeror hereby certifies that [identify the Consultants] did not assist in the development of this submittal for the [identify the EUL project].

Name:

Company:

Date:

Signature:

This form should be signed by the person authorized to represent the significant parties comprising the project team and should be included in the Offeror's submittal.

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APPENDIX B SUMMARY OF CHANGES TO DRAFT NOL

The following table summarizes the changes between the Draft NOL, dated March 5, 2009 and this Final NOL. Note that minor corrections for punctuation and formatting are not included on the table.

Page	Section	Draft NOL	Final NOL
11	3.2	Entire \$270,000 of Army Administrative Fees due upon signing of MOA	\$150,000 of Army Administrative Fees due upon signing of MOA; balance due prior to or at lease execution, subject to negotiation.